UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

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Plaintiffs,

v.

OPEN AI INC., OPENAI OPCO LLC, OPENAI GP LLC, OPENAI, LLC, OPENAI GLOBAL LLC, OAI CORPORATION LLC, OPENAI HOLDINGS LLC, OPENAI STARTUP FUND I LP, OPENAI STARTUP FUND GP I LLC, OPENAI STARTUP FUND MANAGEMENT LLC, and MICROSOFT CORPORATION,

Defendants.

JONATHAN ALTER, KAI BIRD, TAYLOR BRANCH, RICH COHEN, EUGENE LINDEN, DANIEL OKRENT, JULIAN SANCTON, HAMPTON SIDES, STACY SCHIFF, JAMES SHAPIRO, JIA TOLENTINO, and SIMON WINCHESTER, on behalf of themselves and all others similarly situated,

Plaintiffs,

v.

OPENAI, INC., OPENAI OPCO LLC, OPENAI GP, LLC, OPENAI GLOBAL LLC, OAI CORPORATION, LLC, OPENAI HOLDINGS, LLC, OPENAI STARTUP FUND I LP, OPENAI STARTUP FUND GP I LLC, OPENAI STARTUP FUND

Consolidated Cases:

Case No. 1:23-cv-08292-SHS-OTW Case No. 1:23-cv-10211-SHS-OTW

MANAGEMENT LLC, and MICROSOFT CORPORATION,

Defendants.

<u>DEFENDANT MICROSOFT CORPORATION'S RESPONSE TO PLAINTIFFS'</u> MOTION FOR LEAVE TO FILE UNDER SEAL

Pursuant to Paragraph 25 of the Protective Order (ECF 338), Defendant Microsoft Corporation responds to Plaintiffs' Motion for Leave to File Under Seal (ECF 350) filed in connection with Plaintiffs' letter motion seeking financial information ("Letter Motion") (ECF 356). For the reasons stated below, Microsoft respectfully requests the Court grant Plaintiffs' Motion. Specifically, Microsoft requests that the redacted portion of the second full paragraph on page 2 of the Letter Motion as illustrated in the redacted Letter Motion filed at ECF 359 and Exhibit C to the Letter Motion be sealed.

Although "[t]he common law right of public access to judicial documents is firmly rooted in our nation's history," this right is not absolute and courts "must balance competing considerations against" the presumption of access. Lugosch v. Pyramid Co. of Onondaga, 435 F.3d 110, 119–20 (2d Cir. 2006). "The proponent of sealing 'must demonstrat[e] that closure is essential to preserve higher values and is narrowly tailored to serve that interest." Bernstein v. Bernstein Litowitz Berger & Grossman LLP, 814 F.3d 132, 144 (2d Cir. 2016) (quoting In re N.Y. Times Co., 828 F.2d 110, 116 (2d Cir. 1987)). "[T]he presumption of public access in filings submitted in connection with discovery disputes . . . is generally somewhat lower than the presumption applied to material introduced at trial, or in connection with dispositive motions" Brown v. Maxwell, 929 F.3d 41, 50 (2d Cir. 2019). "[W]hile a court must still articulate specific and substantial reasons for sealing such material, the reasons usually need not be as compelling as those required to seal summary judgment filings." Id.

The Letter Motion contains a description of Exhibits C thereto, which is Microsoft's

interrogatory responses that contain confidential information, the disclosure of which would

unfairly prejudice Microsoft. Exhibit C to the Letter Motion, which has been designated

"CONFIDENTIAL" pursuant to the Protective Order, contains confidential information about

Microsoft's generative AI products. See Ex. A (Declaration of Lucky Vidmar). Microsoft requests

that the redacted portion of the second full paragraph on page 2 of the Letter Motion is sealed from

the public and Exhibit C be sealed in its entirety.

The information Microsoft seeks to seal and redact is the type of information commonly

found to warrant sealing. See Order on Motions to Seal, ECF 132 (granting motions to seal similar

information and documents in this case); see also Louis Vuitton Malletier S.A. v. Sunny Merch.

Corp., 97 F. Supp. 3d 485, 511 (S.D.N.Y. 2015) (citation omitted) (concluding that proposed

redactions were "generally limited to specific business information and strategies, which, if

revealed, 'may provide valuable insights into a company's current business practices that a

competitor would seek to exploit.").

For the reasons stated above, and those set forth in the Declaration of Lucky Vidmar,

Microsoft respectfully requests that Plaintiffs' Motion for Leave to File Under Seal (ECF 350) be

granted. Specifically, Microsoft requests that the redacted portion of the second full paragraph on

page 2 of the Letter Motion as illustrated in the redacted Letter Motion filed at ECF 359 and Exhibit

C to the Letter Motion be sealed.

Dated: April 4, 2025

Respectfully submitted,

/s/ Jared B. Briant

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